

General Information Letter: Casino Night described in the ruling is not a charitable game.

September 7, 2006

Dear:

This is in response to your letter dated August 29, 2006 in which you state the following:

A Casino Night is to be held at the LOCATION on MONTH DAY, 2006.

It is sponsored by COMPANY and is being held in conjunction with the TRADE SHOW being held at the CONVENTION CENTER.

- ?? The Casino Night is a closed event and not open to the public.
- ?? This is marketing tool designed for fun and entertainment purposes only.
- ?? No admission will be charged.
- ?? The guest will not be paying to play.
- ?? Prizes will be handed out in exchange for chips. No money will be awarded.
- ?? This is not a charitable event.

We are in need of a letter from the Legal Services Department indicating that this type of gaming is allowed without a Charitable Games Provider License.

According to the Department of Revenue ("Department") regulations, the Department may issue only two types of letter rulings: Private Letter Rulings ("PLR") and General Information Letters ("GIL"). The regulations explaining these two types of rulings issued by the Department can be found in 2 Ill.Adm.Code §1200, or on the website <http://www.tax.illinois.gov/LegalInformation/regs/part1200>.

Due to the nature of your inquiry and the information presented in your letter, we are required to respond with a GIL. GILs are designed to provide background information on specific topics. GILs, however, are not binding on the Department.

The Casino Night described in your letter is a form of gambling (prizes will be handed out in exchange for chips). The Illinois Criminal Code of 1961, specifically 720 ILCS 5/28 et seq., contains 12 paragraphs of activities participation in which will constitute "illegal gambling." 720 ILCS 28-1(a). Subparagraph (b) of that section lists 11 paragraphs of activities the participation in which will not lead to a conviction for illegal gambling, like participating in "charitable games when conducted in accordance with the Charitable Games Act." 720 ILCS 28-1(b)(9).

Your letter requests us to determine whether or not you need a Charitable Games Provider License. This means you mistakenly believe that your Casino Night is protected under the Charitable Games Act. This is not the case, however, because your letter specifically states that the Casino Night is not a charitable event. If the Casino Night is not a charitable event, there is no protection provided under the Charitable Games Act.

Please contact your State's Attorney immediately to ensure that your planned Casino Night on September 12 will not constitute illegal gambling.

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As stated above, this is a general information letter which does not constitute a statement of policy that either applies, interprets or prescribes tax law. It is not binding on the Department. Should you have additional questions, please feel free to contact me.

Sincerely,

Heidi Scott
Staff Attorney -- Income Tax